

**IN THE UNITED STATES BANKRUPTCY COURT
FOR THE SOUTHERN DISTRICT OF TEXAS
HOUSTON DIVISION**

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| IN RE: | § | CASE NO. 25-30155 |
| | § | |
| ALLIANCE FARM AND RANCH, LLC, | § | (CHAPTER 11) |
| | § | |
| DEBTOR | § | |
| | § | |
| IN RE: | § | CASE NO. 25-31937 |
| | § | |
| ALLIANCE ENERGY PARTNERS, LLC, | § | (CHAPTER 11) |
| | § | |
| DEBTOR | § | |

**CHAPTER 11 TRUSTEE'S APPLICATION FOR ENTRY OF AN ORDER
AUTHORIZING THE RETENTION AND EMPLOYMENT OF
HOWLEY LAW PLLC AS CHAPTER 11 TRUSTEE COUNSEL**

THIS APPLICATION SEEKS AN ORDER THAT MAY ADVERSELY AFFECT YOU. IF YOU OPPOSE THE APPLICATION, YOU SHOULD IMMEDIATELY CONTACT THE APPLICANT TO RESOLVE THE DISPUTE. IF YOU AND THE APPLICANT CANNOT AGREE, YOU MUST FILE A RESPONSE AND SEND A COPY TO THE APPLICANT. YOU MUST FILE AND SERVE YOUR RESPONSE WITHIN 21 DAYS OF THE DATE THIS WAS SERVED ON YOU. YOUR RESPONSE MUST STATE WHY THE APPLICATION SHOULD NOT BE GRANTED. IF YOU DO NOT FILE A TIMELY RESPONSE, THE RELIEF MAY BE GRANTED WITHOUT FURTHER NOTICE TO YOU. IF YOU OPPOSE THE APPLICATION AND HAVE NOT REACHED AN AGREEMENT, YOU MUST ATTEND THE HEARING. UNLESS THE PARTIES AGREE OTHERWISE, THE COURT MAY CONSIDER EVIDENCE AT THE HEARING AND MAY DECIDE THE APPLICATION AT THE HEARING.

REPRESENTED PARTIES SHOULD ACT THROUGH THEIR ATTORNEY.

TO THE HONORABLE UNITED STATES BANKRUPTCY JUDGE:

Tom A. Howley, the appointed Chapter 11 Trustee (the “*Trustee*”) for the bankruptcy estates (the “*Estates*”) of the above-captioned debtors, respectfully states the following in support of the *Chapter 11 Trustee's Application for Entry of an Order Authorizing the Retention and*

Employment of Howley Law PLLC as Chapter 11 Trustee Counsel (the “*Application*”). In support of this Application, the Trustee submits the Declaration of Eric Terry, Of Counsel to Howley Law PLLC (“**Howley Law**” or the “**Firm**”), attached hereto as **Exhibit A** (the “**Terry Declaration**”) and in further support, the Trustee respectfully submits the following:

JURISDICTION AND VENUE

1. The United States Bankruptcy Court for the Southern District of Texas (the “**Court**”) has jurisdiction over this matter pursuant to 28 U.S.C. § 1334. This matter is a core proceeding pursuant to 28 U.S.C. § 157(b)(2)(A). The Trustee confirms its consent, pursuant to rule 7008 of the Federal Rules of Bankruptcy Procedure (the “**Bankruptcy Rules**”), to the entry of a final order by the Court in connection with this Application to the extent that it is later determined that the Court, absent consent of the parties, cannot enter final orders or judgments in connection herewith consistent with Article III of the United States Constitution.
2. Venue is proper in this Court pursuant to 28 U.S.C. §§ 1408 and 1409.
3. The statutory bases for the relief requested herein are sections 327(a) and 328 of title 11 of the United States Code (the “**Bankruptcy Code**”) and Bankruptcy Rule 2014(a),

BACKGROUND

4. On January 7, 2025 (the “**AFR Petition Date**”), the Alliance Farm and Ranch, LLC (the “**AFR Debtor**”) commenced its bankruptcy case (the “**AFR Case**”) under chapter 7 of Bankruptcy Code. On March 17, 2025, the AFR Debtor filed its *Emergency Motion to Convert Case to Chapter 11* (the “**Chapter 11 Conversion Motion**”). [ECF No. 13]. On March 19, 2025, the Court entered its order granting the Chapter 11 Conversion Motion. [ECF No. 24].

5. On April 7, 2025 (the “**AEP Petition Date**”), the Alliance Energy Partners, LLC (the “**AEP Debtor**” and together with the AFR Debtor, the “**Debtors**”) commenced its bankruptcy case (the “**AEP Case**” and together with the AFR Case, the “**Chapter 11 Cases**”).

6. On May 12, 2025, the United States Trustee filed its *Notice of Appointment of Committee of Unsecured Creditors* [ECF No. 77] appointing an official committee of unsecured creditors of the Debtors (the “**Committee**”). On May 22, 2025, the Committee filed its Emergency Motion for Appointment of Chapter 11 Trustee (the “**Trustee Motion**”) [ECF No. 98]. On May 23, 2025, the Court entered its order granting the Trustee Motion [ECF No. 112].

7. On May 27, 2025, the U.S. Trustee filed its Notice of Appointment of Chapter 11 Trustee [ECF No. 116], appointing Mr. Howley as Trustee. On May 27, 2025, the Court entered its Order Approving United States Trustee’s Application for Order Approving Appointment of Tom A. Howley as Chapter 11 Trustee [ECF No.117].

RETENTION OF HOWLEY LAW PLLC

8. The Trustee seeks Court approval, pursuant to Bankruptcy Code 327(a), Bankruptcy Rule 2014(a), and Local Bankruptcy Rule 2014, to employ Howley Law as his bankruptcy counsel in the Chapter 11 Cases. Pursuant to Local Rule 2014, the Trustee requests the Court deem the retention of Howley Law contemporaneous with the first day that Howley Law provided services, May 28, 2025, which is within 30 days of filing this Application.

9. The Trustee contemplates that Howley Law may render, without limitation, the following legal services as counsel:

- a. advising and consulting on the conduct of the Cases, including all of the legal and administrative requirements of operating in chapter 11;
- b. attending meetings and negotiating with representatives of creditors and other parties in interest;
- c. taking all necessary actions to protect and preserve the Estates, including prosecuting actions on the Estates’ behalf, defending actions commenced against the Estates, and representing the Trustee in negotiations concerning litigation in which the Trustee is involved, including objections to claims filed against the estate;

- d. preparing on behalf of the Trustee all necessary and appropriate motions, pleadings, proposed orders, and other documents that are necessary in connection with the Cases or the administration of the Estates, including in connection with any adversary proceedings or appeals associated with the Cases;
- e. advising and representing the Trustee in connection with any sale of assets of the Estates;
- f. analyzing and, as appropriate, challenging the validity of liens against assets of the Estates;
- g. appearing before the Court and any other court to represent the interests of the Estates;
- h. formulating, drafting, and obtaining confirmation of a chapter 11 plan and all documents related thereto; and
- i. all other legal services as may be necessary or appropriate in connection with representing the Trustee in the Cases.

HOWLEY LAW'S COMPENSATION

10. The Trustee understands and has agreed that Howley Law hereafter will apply to the Court for allowances of compensation and reimbursement of expenses in accordance with the applicable provisions of the Bankruptcy Code, the Bankruptcy Rules, the Local Rules, the *U.S. Trustee Guidelines for Reviewing Applications for Compensation and Reimbursement of Expenses Filed under 11 U.S.C. § 330 by Attorneys in Larger Chapter 11 Cases*, effective November 1, 2013 (the “**Fee Guidelines**”), and any further orders of the Court (the “**Orders**”) for all professional services performed and expenses incurred after the Petition Date.

11. Subject to the provisions of the Bankruptcy Code, the Bankruptcy Rules, the Local Rules, the Fee Guidelines, and the Orders, the Trustee proposes to compensate Howley Law for services rendered at its customary hourly rates that are in effect from time to time, as set forth in the Engagement Agreement attached hereto as **Exhibit B**, and to reimburse Howley Law according to its customary reimbursement policies. The Trustee respectfully submits that Howley Law’s rates

and policies stated in the Terry Declaration are reasonable and at or below market for similar services provided by other professionals in this district.

HOWLEY LAW'S DISINTERESTEDNESS

12. Except as stated in the Terry Declaration, to the best of the Trustee's knowledge, Howley Law does not have any connection with or any interest adverse to the Debtors or their estates or creditors, equity security holders, their respective attorneys and accountants, the U.S. Trustee, or any party in interest in Debtors' cases.

13. The lawyers and staff expected to provide services to the Trustee on behalf of the Firm are not related to the U.S. Trustee assigned to this case, any person employed in the Office of the U.S. Trustee, or the Bankruptcy Judge presiding over this case.

14. Upon information and belief, Howley Law does not represent and does not hold any interest adverse to the Debtors' Estates or their creditors in the matters for which Howley Law is proposed to be retained.

15. Based upon the Terry Declaration, Howley Law is a "disinterested person" as that term is defined in section 101(14) of the Bankruptcy Code. The Trustee has been informed that Howley Law will conduct an ongoing review of its files to ensure that no disqualifying circumstances arise. If any new relevant facts or relationships are discovered, Howley Law will supplement its disclosure to the Court.

BASIS FOR RELIEF

16. Section 327(a) of the Bankruptcy Code provides that with court approval, the Debtors:

may employ one or more attorneys, accountants, appraisers, auctioneers, or other professional persons, that do not hold or represent an interest adverse to the estate, and that are disinterested persons, to represent or assist the [Debtors] in carrying out the [Debtors'] duties under this title.

17. Additionally, pursuant to section 328(a) of the Bankruptcy Code, the Debtors “with the court’s approval, may . . . authorize the employment of a professional person under section 327 . . . on any reasonable terms and conditions of employment, including on an retainer, on an hourly basis, on a fixed or percentage fee basis, or on a contingent fee basis.” 11 U.S.C. § 328(a). Section 328(a) of the Bankruptcy Code permits compensation of professionals on flexible terms that reflect the nature of their services and market conditions.

18. Furthermore, Bankruptcy Rule 2014(a) requires that an application for retention include:

[S]pecific facts showing the necessity for the employment, the name of the [firm] to be employed, the reasons for the selection, the professional services to be rendered, any proposed arrangement for compensation, and, to the best of the applicant’s knowledge, all of the [firm’s] connections with the debtor, creditors, any other party in interest, their respective attorneys and accountants, the U.S. trustee, or any person employed in the office of the U.S. trustee.

19. The Trustee submits that, for all the reasons stated above and in the Terry Declaration, the retention of Howley Law as bankruptcy counsel to the Trustee is warranted and in the best interest of the Estates. As required by Bankruptcy Rule 2014(a), the above-described facts set forth in the Application and the information in the exhibits attached hereto set forth: (i) the specific facts showing the necessity for Howley Law’s employment; (ii) the reasons for the Trustee’s selection of Howley Law as bankruptcy counsel; (iii) the professional services proposed to be provided by Howley Law; (iv) the arrangement between the Trustee and Howley Law with respect to Howley Law’s compensation, including information on hourly fees and the reasonableness thereof; and (v) to the best of the Trustee’s knowledge, the extent of Howley Law’s connections, if any, to certain parties in interest in these matters. Accordingly, Howley Law’s retention by the Trustee as bankruptcy counsel should be approved.

NOTICE

20. The Trustee will notice this Application to the Office of the U.S. Trustee for the Southern District of Texas and other parties-in-interest, all as set forth in the Certificate of Service below.

The Trustee respectfully requests that the Court enter the Order, substantially in the form attached hereto as **Proposed Order**, and grant it such other and further relief to which the Trustee may be justly entitled.

Dated: June 16, 2025

HOWLEY LAW PLLC

/s/ Eric Terry _____
Eric Terry
State Bar No. 00794729
HOWLEY LAW PLLC
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Proposed Trustee Counsel

CERTIFICATE OF SERVICE

I certify that on June 16, 2025, I caused a copy of the foregoing document to be served by the Electronic Case Filing System for the United States Bankruptcy Court for the Southern District of Texas.

/s/ Eric Terry _____
Eric Terry